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SUBJECT: MAOISTS PROJECT POWER IN MID-WESTERN DISTRICTS

Classified By: Ambassador James F. Moriarty, Reasons 1.4 (b/d)

Summary

11. (C) During a May 22-24 visit to the mid-western districts of Bardiya and Banke, Emboffs found an atmosphere of fear instilled by the Maoists, despite the cease-fire and 12-point understanding with the seven-party alliance. The Maoists continue to extort, kidnap, train and recruit, while claiming that they have established a parallel government in most parts of Bardiya. Local leaders of the seven-party alliance understandably stressed the need to manage Maoist weapons before holding constituent assembly elections. While the government has been able to open one police post in Bardiya District, that was the only positive change since the cease-fire. Our interlocutors agreed that peace was not yet at hand and worried whether it would come. End Summary.

Maoists Still Instilling Atmosphere of Fear ...

12. (C) In a May 22-24 visit to the mid-western districts of Banke and Bardiya, government officials, human rights representatives and political party leaders told Emboffs that the Maoists had not changed their actions. Despite having declared a cease-fire on April 27, they continued to instill fear through their threats and actions. Lok Neth Kharel, the advisor of Bardiya's Informal Sector Service Center (INSEC) office, a Nepali human rights organization, explained, "People's fear of the Maoists has not decreased because any time Maoists could come and threaten them." The head of the regional UN Office of the High Commissioner for Human Rights (OHCHR) also stressed OHCHR's concern about abductions, beatings and extortions in some districts in mid-western and far-western Nepal. He worried that the Maoist district-level leaders were not exerting control over local cadre. Government officials in both districts acknowledged that most people were too scared to complain or report incidents involving the Maoists. Nevertheless, they had heard enough of what was happening to be very worried about the situation.

... And Continuing Kidnapping, Extorting, Training and Recruiting

13. (C) Rajendra Singh Bhandari, the Superintendent of Police

in Banke District, said that, while things seemed calm and in control in Nepalgunj, Banke District headquarters, Maoists "dominated" the villages and remote areas, where they were massing and still moving around with weapons. Although he said extortion was not yet running rampant in Nepalgunj, he acknowledged there was a lot of concern. He explained how Maoists had captured one vehicle after displaying their weapons. He admitted that businesses and government officials were still paying the Maoists money. He noted that the Maoist style had changed. In the past, Maoists had sent a local man with a slip of paper with the Maoist demand, now Maoists were openly calling, identifying themselves and providing their contact phone numbers. He commented that people were not reporting against the Maoists because there was still an atmosphere of fear.

¶4. (C) Bimal Prasad Dhakal, Bardiya Chief District Officer (CDO), said that the Maoists were continuing extortion, training and recruitment. According to Dhakal, operators of vehicles had to pay the Maoists. Kharel reported hearing gunfire coming from the east of Gulariya, Bardiya's district headquarters, and said people believed it was Maoists training. He said the Maoists had abducted two people since the cease-fire. He also gave an example of Maoists forcing residents of a village to feed them. The villagers had later lamented that they felt compelled to feed the Maoists because there was no one to protect them.

Maoist "Parallel Government"

¶5. (C) Our interlocutors emphasized that the Maoists were running a "parallel government." Bimal Prasad Dhakal, the Bardiya CDO, explained that the Maoists, accompanied by local leaders from the seven-party alliance, had visited his office recently for a discussion. The Maoists had asserted that they had their "own people's government" and were "commanding more than the previous government." Dhakal informed us that most of Bardiya was under Maoist control. He stated "nowadays, people are paying double taxes - to the government and to the Maoists." Bindu Devi Sribasthi, president of Nepal Sadbhavana Party - Ananda Devi (NSP-A) in Bardiya, explained that the new "government" of the Maoists demanded that people pay taxes, as did the government of the seven-party alliance, and the biggest problem for the people was deciding which to obey.

¶6. (C) Our Bardiya contacts expressed the most concern about the region west of the Karnali River, where about one-quarter of the district's population of 300,000-400,000 lived. Dhakal discussed how the Maoists were attempting to disrupt government operations there. The District Development Committee (DDC) operates a motorboat to transport people across the Karnali River when the waters rise so high that the pontoon bridge is unusable. About fifteen days ago, the DDC had issued a tender notice for bids to operate the boat. The Maoists had protested and stopped people from submitting bids for the contract, saying they intended to operate the boat service. Dhakal said he had just received information that Indian security services had captured a motorboat purchased by the Maoists for that purpose.

¶7. (C) Bhandari said the Maoists were portraying themselves as the government in most parts of Banke District. Krishna Shyam Budathoki, the Assistant CDO of Banke District, said the Maoist-in-charge of Bardiya/Banke Districts had visited the CDO's office and suggested the CDO contact the Maoists if the CDO had any problem. He relayed how the Maoists had explained they needed money to look after their "people's liberation army," would be taking "taxes" from business-people, and the CDO should not object. Bhandari explained the Maoists had their own system of fines and investigation processes. He acknowledged that there was no presence of police in most of Banke and stressed the need to re-establish a government presence and expand government services.

Need to Address This Before Constituent Assembly Elections

¶18. (C) Leaders from the seven-party alliance in Bardiya stressed that the Maoists had to dissolve their people's governments in districts and villages and stop collecting taxes and issuing parallel decisions on legal issues before holding constituent assembly elections. It was impossible to have a people's liberation army and elections. They hoped that central party leadership in Kathmandu would determine how to manage the weapons of both the Maoists and the Nepalese Army. They explained that Maoists were telling people they had to vote for the Maoists and that it was impossible to hold free and fair elections under these conditions.

Elusive Peace in Bardiya District

¶19. (C) Kharel, the INSEC advisor, stressed that the problem in Bardiya was the Maoists, not the government. He said there was no rule of law or justice in the district. Instead, the Maoists continued to carry out "people's court" decisions. He commented that the government had released all the Maoists kept in jail in Gulariya but the Maoists had not released any of their captives. He estimated that the Maoists still held ten to fifteen people. Nor had the Maoists addressed the issue of those they had "disappeared." He asked "where is peace?" and said he could not say whether it would come.

On The Plus Side

¶10. (C) Dhakal could identify only three positive changes since the cease-fire. The District had been able to extend a police post in one place - to the south of Gulariya municipality near the India border. He noted that the district's 200 police officers had been compelled to stay in district headquarters. District officials were now able to travel. Whereas previously he had been confined to Gulariya the week before he had traveled to an area about one and one-half hours away. He acknowledged that the Maoist reaction to officials doing more than merely visiting a locale was still unknown. He also said that the Maoists were allowing a government medical team to operate a camp in the western part of the district, while in the past they had disturbed such medical camps.

Maoists Not Following 12-Point Understanding

¶11. (C) The Bardiya politicians explained that the Maoists were not acting in accordance with November's 12-point understanding; in particular the Maoists still refused to return the land they seized. Although they had seized land throughout the district, it was "maximum" in the area west of the Karnali river. They worried that the Maoists had already redistributed land to so many people that its return would be very difficult. Another source said that Maoist deputy Baburam Bhattarai in late April had redistributed land west of the Karnali to Maoist supporters. They recognized that Maoists did not listen or heed concerns of local seven-party alliance representatives. The Bardiya INSEC advisor noted that the Maoists were open in their political activities, and people did not feel they were safe and secure. Although the political party leaders said that their party members had been able to go to villages and districts, the Bardiya CDO and INSEC advisor separately advised us that Village District Committee secretaries still could not return to their posts.

Worry About What Will Happen If Talks Fail

¶12. (C) Budathoki worried what would happen if peace talks or the cease-fire failed. He doubted the cease-fire would last five or six months, given some Maoist demands to join/head an interim government. He explained that the Maoists had openly visited the CDO's office, scouted all around, and suggested

that the CDO could remove the bars around the building. The Maoists have opened student union contact offices in Nepalgunj and Gulariya where they have also opened a party office, and are conducting political activities in both districts. Bhandari remarked that Maoist morale was high.

Comment

¶13. (C) The situation in these two mid-western districts of the Terai is disturbing. The Maoists seem intent on setting themselves up as an alternative government rather than working with the seven-party alliance government on a way to enter the political mainstream. As of right now, they are able to work out in the open while continuing to use their tried and true tools of violence and fear.

MORIARTY